

## **DIRECTIONS OF SOCIAL POLICY IN THE CONTEXT OF SOCIAL SECURITY**

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### **1. Introduction**

Policy of economic growth must be accompanied by a strong social policy that aims at increasing effective demand, ensuring social justice and stability. Analysis and evaluation of the current state of social security both the state and the regions revealed trends in social development and existing threats, including rapid stratification of the population into rich and poor, the deterioration of the demographic situation, reducing the level of economic activity, unemployment, criminalization of the economy and other that requires a systematic approach to the management of social policy and reform in the context of social security [1].

### **2. Review of recent researches sources and publications**

Theoretical and methodological foundations of social safety researchers A. Belyaev, V. Bliznuk, L. Veselska, A. Vlasyuk, Z. Gerasymchuk, I. Hnybidenko, V. Kutsenko, E. Libanova, V. Onyshchenko, V. Muntiyan, A. Novikov, G. Sytnyk, V. Skurativsky and others [2–8].

The factors that influence on formation of social policy were analyzed by A. Haletskoyu; the social development strategy was determined; the most significant threat to social security was identified and practical actions to create security mechanisms of blocked or eliminated the negative effects of threats the Ukrainian social security system was proposed [9, p.3–9].

The mechanism of national and regional social security management investigated O. U. Snigovoyu, who grounded the areas of state and regional policies aimed at overcoming regional disparities of socio-economic development of Ukraine in the context of social security [10].

Typification regions of Ukraine in structure and intensity of expression threats to social security, highlighting five types of regions realized by Y. Hrabko, noting the existence of permanent and common to all regions of threats, including such as low living standards and rapid depopulation, identifying specific threats to individual regions [11].

Justification of the social security of our country in conditions of financial and economic crisis is devoted to the research of I. A. Lapshina, who provided proposals for improvement and development of the conceptual basis of social security.

Scientists of the Center of Policy Social Research The Ministry of Social Policy of Ukraine and The National Academy of Sciences of Ukraine analyze the national security problems, and substantiated the theoretical and methodological approaches to the analysis of social security and defined national interests of Ukraine in the social sphere [12].

Feasibility of developing the theoretical and methodological bases and practical diagnosis of social development as a component of social engineering grounded by Z. Balabayeva, S. Ovcharenko, I. L. Roskolotko who suggested that diagnostic criteria include the following indicators: the living conditions of the population, the financing of human development, the level of public services in education, health, social environment, material welfare the inhabitants of the region, labor market, demographic and environmental situation [13].

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### **3. Problem**

Aggravation of contradictions and imbalances in reforming the social sphere in Ukraine needs to identify existing threats and hazards to minimize their impact on social security. The aim of the article is the identification and analysis of existing threats and dangers of social security reform and identifying areas of social policy.

### **4. The basic material and results**

Social aspects of national security have become one of the priority values during the transformations in Ukraine's economy. The need to take into consideration the requirements of national security in the social sphere necessity a systematic approach for social policy that provides the social security, regulation of social processes, creating conditions for sustainable human development and social protection.

According to the national survey, conducting 21–24 December 2012, by Razumkov Center Foundation and the “Democratic Initiatives”, the citizens of Ukraine indicate deterioration: in prices and tariffs – 75% in confidence in the future – 54% in the economic situation of the country – 52% in the level of stability – 51,5%; in relation to public authorities – 51% in health care – 50% in remuneration – 50% in the attitude of the authorities towards citizens – 46% in the crime situation – 44% in the international image of Ukraine – 41% not noted any areas where improvements prevailed [14, p.11].

Conducted subjective evaluation during monitoring studies of trends of social development Poltava region in the context of guarantee social security has allowed us to identify the response of the region to the transformation processes in society. As a result of subjective evaluation it was found that the unsatisfied needs of the population is vital for improving health and health care, availability of satisfactory conditions of housing and employment problems that serves as an information source and a base to form an effective social policy region [15].

The term “policy” is defined as a particular sphere of society, within the activities directed mainly at achieving, maintaining and realization government individuals and social groups to implement their demands and needs [16]. Social policy is a set of socio-economic activities of the state, businesses, organizations, targeted to reduce inequalities in the distribution of income and property, protection against unemployment, rising prices, the depreciation of labor savings, etc. [16, p.421]. The interpretation of the definition of “social policy” such scientists as T. Hansli, E. L. Ivanov, P. I. Shevchuk, V. A. Skurativsky, O. M. Paly, E. M. Libanova, M. V. Tulenkov and other [7, p.17–21] allow to conclude that social policy is a set of socio-economic activities of the state, local authorities, businesses and organizations to protect against unemployment, rising prices, the devaluation of labor savings to ensure a decent standard of living. In a socially oriented market economy the main subject of the formation of social policy is a State carrying out its reform based on such principles as social justice, social solidarity and individual social responsibility, social partnership.

The main objective of social policy is the obligation of a State to ensure legally, socially and economically, defined by the Constitution of Ukraine, the minimum necessary standard of living. On that basis, social policy areas are follows:

- income policy that provides for social standards of life, living standard settings, ensuring the growth of social standards (minimum wage, living wage, minimum payments in the event of disability and old age) and wages;
- employment policy, which is aimed at ensuring full and productive employment, preventing unemployment;
- social protection that provides the definitions and settings of compulsory social insurance, social assistance, social services and social benefits and guarantees;

- population policy that provides for incentives reproductive population growth, state aid families, including childbirth, management of migration;
- policy of social development: cultural, linguistic, religious, youth, recreation politics, health, education, science, and more.

In order to determine trends shaping social policy in the context of social security we found existing threats, one of which is poverty. The problem of poverty in Ukraine gained official recognition after approval by the President of Ukraine on August 15, 2001 № 637 Poverty Reduction Strategy, which established the term “poverty”, the only criterion for classification different relative population as poor, defined the main directions and stages of poverty reduction until 2010. The analysis of the dynamics of the indicator “proportion of the population with total costs are below 75% of median total costs (poverty level)” in Ukraine for 2001–2012 years showed a tendency to reduce it since 2009. In 2011, the poverty threshold calculated in accordance with the criteria specified in the Poverty Reduction Strategy was 1025 UAH per month, and poverty limit – 820 UAH, i.e. the difference between these two values was 205 UAH. Below the poverty line were 25,4% of the population, with 49% of them was below the poverty.

At the same time in Ukraine there are positive trends in the subsistence minimum increase in the last ten years. At the same time should be noted that the growth rate of total expenditure per capita growth rates higher than the subsistence minimum.

One of the threats is insufficient amount of pension provision of citizens. Despite the growth index of the minimum pension to the subsistence minimum from 2001 to 2012 in 6 times and further observed discrepancy indicator specified limit value, which is 1,5–2 times that needs further reform of the pension system in Ukraine. In the danger zone during the entire period of Ukraine is the indicator “ratio of the average wage to subsistence minimum”, whose value despite the rising trend below the threshold value, which ought to be at least 3 times.

Calculate the ratio of the index of nominal total household resources to CPI growth was detected total household resources at a faster rate than the increase in prices of goods and services, an increase household resources outpaced inflation. The exception is 2009, as the index of total resources is lower by around 10 percentage points for the consumer price index, which in our opinion is the result of the second wave of economic crisis in the country and the world.

Analysis of income the ratio of 20% most and 20% of least provided population in Ukraine for 2001–2012 years showed reduction of this indicator since 2009, which is certainly a positive trend because it indicates the reduction of the gap between the richest and poorest Ukrainians.

The optimal value of spending on food (foodstuffs and eating out) in total cash cost of consumer households was achieved only in 2008. The above indicator during the whole study period was in the danger zone, exceeding 50%.

Discrepancy of supply and demand in the labor market caused by transformation processes in the country, determined the necessity of analyze the level of unemployment. Since 2001, the unemployment rate in Ukraine is gradually declining and in 2008 was 6,4%. But in 2009, the indicator has increased to 8,8%, due to the deployment of large-scale economic crisis. In 2012, the unemployment rate fell by 0,4 percentage points over the previous year. The actual value of the indicator of social security during the whole analyzed period was in the safe zone.

During 2001–2012 years were found a positive trend to a decrease in the share of long-term unemployed from 2001 to 2009 (from 79,2% to 42,2%). In 2010 the proportion of people who were unemployed over 6 months increased by 10 percentage points from the previous year to 52,9% and in 2012 decreased to 46,2%. Throughout studied period, despite the downward trend in this indicator the social security was in the danger zone. In addition, the negative effect is rather high average duration of unemployment, which during the years 2001–2012 (excluding 2008, 2009, 2011 and 2012) was greater than one year [1].

Insufficient government funding of housing, low incomes are the main reasons of satisfying people with adequate housing conditions. Availability of housing an average per capita annually during the 2001–2012 years increased: from 20,7 m<sup>2</sup> per 1 inhabitant in 2001 to 23,3 m<sup>2</sup> in 2011, but at now this indicator is below the threshold value, which is 25 m<sup>2</sup>. It should be mentioned that in Ukraine there is both a lack of housing and limited housing conditions [17–22].

High level of morbidity is one of the most dangerous risks of social security of the state, which is analyzed in terms of the number of cases reported first at 100 persons. Statistical data show that this indicator during the analyzed period was in the danger zone. At the same time we observe dynamics to increase the indicator, with its growth a rate is alarming (if in 2001 is 100 persons registered 68 cases of illness, in 2010, there were 72 per 100 persons). There is positive reduction in this indicator in 2012, although this value is far from optimal, which is less than 60 illnesses per 100 persons.

Over the past decade in Ukraine is constantly observed negative trend in such important indicators as life expectancy, mortality, morbidity and remained negative natural population growth. Under these conditions, there is a need to find new approaches to issues of budget financing efficiency of health care. In 2009 and 2010 showed the tendency to increase in consolidated budget expenditures on health as % of GDP and its value stays in the safe zone (above the threshold). The negative thing is its decrease in 2011 to 3,72% of GDP. Growth Indicator “consolidated budget expenditures on health” was held in 2012 to 4,15%, which corresponds to the optimum limit of at least 4% of GDP. However, according to research by the World Health Organization, health care financing at 6,41% of GDP is regarded as the minimum level of funding that can ensure the survival of the healthcare industry, 3,2% of GDP – as a critical level at which is lower and the reduction of health care by 1/3, 1,6% of GDP – as a transcendent, which is regarded as the level of the complete destruction of the structure of the healthcare industry. Thus, according to the criteria of health financing through the budget in Ukraine is at a critical level, which requires further reform of the health system in Ukraine.

Sustainable development of society is impossible without one of its fundamental values – education. The main sources of financing education are state-owned funds of state and local budgets, industries, government and additional revenues. The analysis showed that during 2001–2012 years, the public funding of education in Ukraine was unsatisfactory. In 2012, consolidated budget expenditures on education as% of GDP increased by 0,66 percentage points compared to 2011 (6,55% of GDP).

During the analyzing the level of social security indicator is calculated that reflects the level of coverage graduating 9th graders complete secondary education. According to the methodology for determining the level of Ukraine economic security, students who received general education should be secured wholly higher education in the country, i.e. the threshold value of this indicator is 100%. The value of the indicator “coverage graduating 9th graders complete secondary education” during the period was close to the optimum and to 2007 gradually increased (from 98% in 2001 to 99,5% in 2007). Starting in 2008 there was a downward trend indicator and in 2010 only 97% of graduates 9th graders continued their education to obtain the full secondary education. Increase of this indicator was in 2011 to 99%.

Systematization of analysis of social security indicators allows asserting a significant change in the social environment of Ukraine, and serves as a source of information and basis for the formation of effective social policies.

Basic principles of state policy on guaranteeing national security in all spheres of life, including in the social sphere, determined by the Law Ukraine “On National Security of Ukraine” [13]. In disclosing security issues key is the concept of threats that characterize the phenomenon and the factors that endanger national security. According to the Law of the major threats to national security in the social sector in the current development state are:

- inconsistency of economic reform programs and their results to certain social priorities;
- ineffective government policy to increase labor incomes, poverty reduction and balancing the productive employment of working population, the crisis of health care and social welfare, deteriorating health, drug addiction, alcoholism, social diseases;
- deterioration demographic crisis;
- reduce opportunities for quality education by the poorest segments of society;
- displays of moral and spiritual degradation of society;
- increase child and teen neglect, homelessness, vagrancy [1].

The main directions of the state policy on national security in the social sector are:

- significantly strengthen the social dimension of economic policy, the real increase in living standards, primarily based on the cost of raising wages, timely payment of wages and social benefits guaranteed by law, increased target orientation material support, reducing unemployment;
- creating conditions for poverty reduction and excessive property stratification in society;
- maintaining and strengthening demographic and labor resource potential; overcoming the demographic crisis processes, creating an effective system of social protection rights, protection and rehabilitation of physical and mental health, the elimination of alcohol, drugs and other negative phenomena, the elimination of homelessness, vagrancy and homelessness among children and adolescents [23–24].

So, in terms of providing social security to the areas of social policy rightly include the following:

- promoting social and economic activity;
- creating conditions for improving the living standards of the population;
- provision of rising labor costs and increases its share in the structure of public income;
- forming flexible protection system;
- reform of the system obligatory state social insurance;
- functioning three-tier pension system;
- improvement of the social welfare system;
- health care reform and education;
- reforming housing policy;
- providing support for young people, families, women and children.

## **5. Conclusion**

In summary it is proved that the dynamic development of the Ukrainian state led to the aggravation of contradictions and imbalances in reforming the social sphere, which requires determination of the vector reform of social policy. Based on the analysis of indicators of social security definition of the social policy in the context of social security.

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### Summary

The conceptual frameworks of social policy are revealed. Identified risks and threats in the social sphere. Indicators of social security are analysed. In papers is definition of the social policy in the context of social security.

**Key words:** social policy, social security, social security indicators, risks, threats.

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